

AN ORDINANCE authorizing the City of Fort Wayne, Indiana, to make temporary loans to meet current running expenses for the use of the General Fund, Fire Fund, the Parks and Recreation Fund, the Police Pension Fund, the Fire Pension Fund, the Debt Service Fund and the Park Debt Service Fund of the Issuer, in anticipation of and not in excess of current taxes levied in the year 1996, and collectable in the year 1997; authorizing the issuance of temporary loan tax anticipation time warrants to evidence such loans and the sale of such warrants to the Indiana Bond Bank; and appropriating and pledging the taxes to be received in such funds to the punctual payment of such warrants including the interest thereon.

WHEREAS, the Common Council (the "Fiscal Body") of the City of Fort Wayne, Indiana (the "Issuer"), has determined that there will be an insufficient amounts of money in the General Fund Fire Fund, the Parks and Recreation Fund, the Police Pension Fund, the Fire Pension Fund, the Debt Service Fund and the Park Debt Service Fund of the Issuer (the "Funds") to meet the current running expenses of the Issuer payable from each of such funds during the fiscal year ending on the last day of December 1997, and prior to the respective June and December settlements and distribution of taxes levied for each such Fund; and

WHEREAS, the Fiscal Body now finds that an emergency exists for the borrowing of money to pay current running expenses and that temporary loans for the Funds for such purposes should be made and that temporary loan tax anticipation warrants evidencing such loans should be issued and sold, subject to the terms and conditions set forth herein and in accordance with the provisions of Indiana law; and

WHEREAS, the Fiscal Body has determined to participate in the 1997 Advance Funding Program (the "Program") established by the Indiana Bond Bank (the "Bond Bank") whereby the Bond Bank will purchase the temporary loan tax anticipation warrants and/or temporary interim warrants of the Issuer; and

WHEREAS, in order to participate in the Program the Fiscal Body may be required to issue and sell its temporary loan tax anticipation warrants to the Bond Bank prior to the final certification of the annual budget levy and tax rates for the Funds for fiscal year 1997 by the Indiana State Board of Tax Commissioners; and

WHEREAS, the levy proposed for collection for the Funds in the year 1997 is estimated to produce in the aggregate, with respect to such Funds, an amount equal to or in excess of the principal and interest on the temporary loans for such Funds; and

WHEREAS, a necessity exists for the making of temporary loans evidenced by temporary loan tax anticipation warrants for the Funds in anticipation of the receipt of current revenues for such Funds levied for the year 1996 and in the course of collection for the year 1997 and the Fiscal Body desires to authorize the making of temporary loans to procure the amounts necessary, in combination with other available amounts, to meet such current running expenses for such Funds and to pay necessary costs incurred in connection with the issuance and sale of temporary loan tax anticipation warrants to evidence such temporary loans; and

WHEREAS, the Issuer has not previously issued temporary loan tax anticipation warrants payable from 1997 tax revenues with respect to any of the Funds; and

1 **WHEREAS**, the Fiscal Body seeks to authorize the issuance of such
2 temporary loan tax anticipation warrants and/or temporary interim warrants with respect to the
3 Funds and the sale of such warrants to the Bond Bank pursuant to the provisions of Indiana
4 Code 5-1.5, subject to and dependent upon the terms and conditions hereinafter set forth.

5 **NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF**
6 **THE CITY OF FORT WAYNE, INDIANA:**

7 **SECTION 1.** It is hereby found and declared that an emergency exists for the
8 borrowing of money and therefore the Issuer is hereby authorized to make temporary loans to
9 meet current running expenses pursuant to the provisions of Indiana Code 36-4-6-20 for the
10 use and benefit of each of the Funds of the Issuer in anticipation of estimated current tax
11 revenues actually levied for the year 1996 and in the course of collection for the respective
12 Funds in 1997, which loans shall be evidenced by temporary loan tax anticipation time warrants
13 of the Issuer (the "Warrants"). A separate Warrant or Warrants shall be issued with respect to
14 each Fund for each maturity date and all Warrants shall be dated as of the date of delivery
15 thereof to the Bond Bank. The Issuer is authorized to issue a Warrant maturing and payable on
16 June 30, 1997, and December 31, 1997, in amounts not to exceed the following for the
17 respective identified funds:

18 General Fund: \$10,556,279 maturing on June 30, 1997 and \$10,556,279
19 maturing on December 31, 1997;

20 Fire Fund: \$7,527,803 maturing on June 30, 1997 and \$7,527,803 maturing
21 on December 31, 1997;

22 Parks and Recreation Fund: \$2,729,821 maturing on June 30, 1997 and
23 \$2,729,821 maturing on December 31, 1997:

24 Police Pension Fund: \$1,261,259 maturing on June 30, 1997 and \$1,261,259
25 maturing on December 31, 1997;

26 Fire Pension Fund: \$1,393,669 maturing on June 30, 1997 and \$1,393,669
27 maturing on December 31, 1997;

28 Debt Service Fund: \$812,970 maturing on June 30, 1997 and \$812,970
29 maturing on December 31, 1997;

30 Park Debt Service Fund: \$382,046 maturing on June 30, 1997 and \$382,046
maturing on December 31, 1997.

31 The Warrants shall bear interest prior to maturity at a rate or rates per annum
32 not to exceed a maximum of six and one-half percent (6.50%). The exact rate or rates of
33 interest are to be determined under the terms of a warrant purchase agreement between the
34 Bond Bank and the Issuer to be entered into prior to the sale of the Warrants to the Bond Bank
35 (the "Warrant Purchase Agreement"), in accordance with the provisions of Indiana Code 5-1.5.
36 Interest shall be calculated on the basis of a 360-day year comprised of twelve 30-day months.

37 The Issuer is authorized to make payments of principal and interest on the
38 Warrants by paying the amount due from funds that are available for immediate transfer or
39 investment on or before 12:00 noon (Indianapolis time) on the due date to Bank One,

Indianapolis, Indiana, NA, the Bond Bank's Trustee (the "Trustee") under the Note Indenture dated as of February 4, 1997. The Warrants may not be prepaid prior to the due date without the express written consent of the Bond Bank. In the event that the principal of and interest on the Warrants are not paid in full on the due date, the total amount due and owing on such due date (equal to the unpaid principal and accrued interest thereon to such due date) shall thereafter bear interest at the per annum rate equal to the Reinvestment Rate (as defined in the Warrant Purchase Agreement) until paid. In addition, the Issuer shall be responsible for payment to the Bond Bank of its allocable portion of all fees and expenses attributable to a request for payment under the Credit Facility Agreement (as defined in the Warrant Purchase Agreement) resulting from a failure by the Issuer to pay in full the principal of and interest on the Warrants on the due date.

SECTION 2. With respect to each Fund and each maturity date, the officers of the Issuer are authorized to deliver a principal amount of Warrants up to or less than the maximum amount established for any such Fund or maturity date in Section 1 hereof in order to comply with all applicable laws and any requirements of the Bond Bank. The Warrants will be delivered on or about February 4, 1997, or otherwise as appropriate and in accordance with the terms of the Warrant Purchase Agreement.

In the event that the Issuer anticipates incurring cash flow deficits prior to the issuance and sale of the Warrants to the Bond Bank, the Issuer is hereby authorized to issue and sell temporary interim warrants to the Bond Bank. The issuance and sale of the temporary interim warrants shall be on substantially the same terms as the issuance and sale of the Warrants to the Bond Bank, all as set forth in the Warrant Purchase Agreement. In the event that temporary interim warrants are issued, all or a portion of the proceeds of the Warrants may be used to repay the temporary interim warrants. Provisions of this Ordinance relating to the issuance of Warrants shall also relate to the issuance of temporary interim warrants to the extent applicable.

SECTION 3. The principal of and interest on the Warrants shall be payable from tax revenues to be received in the respective Fund upon which such Warrant is issued. There is hereby appropriated and pledged to the payment of the Warrants issued with respect to each Fund, including interest and all necessary costs incurred in connection with the issuance and sale of the Warrants, a sufficient amount of the taxes, levied for 1996, and payable in 1997, for such Fund and in anticipation of which the Warrants have been issued, for the punctual payment of the principal of and interest on the Warrants evidencing such temporary loans, together with such issuance costs, if any.

SECTION 4. The Warrants issued hereunder with respect to the Funds shall be executed in the name of the Issuer by the manual or facsimile signature of the Mayor of the City of Fort Wayne, Indiana (the "Mayor"), countersigned by the City Controller of the City of Fort Wayne, Indiana, and attested by the Clerk of the City of Fort Wayne, Indiana, or such other officers of the Issuer as may be permitted by law, provided at least one of such signatures is manually affixed. All Warrants shall be payable in lawful money of the United States of America at the principal corporate trust office of the Trustee. Further, the Warrants shall not be delivered and no payment shall be made therefor prior to the first day of January 1997.

SECTION 5. The Warrants with respect to each Fund shall be issued in substantially the following form (with all blanks, changes, additions and deletions, including the appropriate amounts, dates and other information to be properly completed prior to the execution and delivery thereof, as conclusively evidenced by the signatures of the officers of the Issuer affixed thereon):

[Form of Warrant]

UNITED STATES OF AMERICA

STATE OF INDIANA

COUNTY OF ALLEN

CITY OF FORT WAYNE, INDIANA
TEMPORARY LOAN TAX ANTICIPATION TIME WARRANT
(_____ Fund)

Warrant Fund: _____ Fund
Dated Date: _____, 1997
Due Date: [June 30, 1997 or December 31, 1997]
Principal Sum: \$ _____
Interest Rate: _____ percent per annum

FOR VALUE RECEIVED, on or before the Due Date set forth above (the "Due Date"), the City of Fort Wayne, Indiana (the "Borrower"), shall pay to the Indiana Bond Bank (the "Bond Bank") the Principal Sum set forth above pursuant to a certain Warrant Purchase Agreement between the Bond Bank and the Borrower, dated as of December 1, 1996 (the "Agreement").

In addition, the Borrower on the Due Date hereof shall pay to the Bond Bank interest at the per annum Interest Rate set forth above pursuant to the Agreement, with such interest to be calculated on the basis of a 360-day year comprised of twelve 30-day months. Under the Note Indenture dated as of February 4, 1997, Bank One, Indianapolis, Indiana, NA, is serving as the Bond Bank's Trustee (the "Trustee"). In the event that the principal of and interest on this Warrant are not paid in full to the Bond Bank at the principal corporate trust office of the Trustee in immediately available funds on or before 12:00 noon (Indianapolis time) on the Due Date, the total amount due and owing on the Due Date (the unpaid principal and accrued interest to the Due Date) shall thereafter bear interest at the per annum rate equal to the Reinvestment Rate (as defined in the Agreement), until paid. In addition, the Issuer shall pay to the Bond Bank its allocable portion of all fees and expenses attributable to a request for payment under the Credit Facility Agreement (as defined in the Agreement) resulting from a failure by the Borrower to pay in full the principal of and interest on this Warrant on the Due Date.

All payments of principal and interest to be made by the Borrower to the Bond Bank shall be made by paying the amount due in funds that are available for immediate transfer or investment on or before 12:00 noon (Indianapolis time) on the payment date to the Trustee in Indianapolis, Indiana. This Warrant may not be prepaid prior to the Due Date without the express written consent of the Bond Bank.

This Warrant evidences a temporary loan to provide funds to meet current expenses of the Warrant Fund set above (the "Fund") and has been authorized by an ordinance passed and adopted by the Common Council of the City of Fort Wayne, Indiana, in accordance with Indiana Code 36-4-6-20 and all other acts amendatory thereof or supplemental thereto.

This Warrant is issued in anticipation of the tax levy which has been made for the Fund in the year 1996, which tax levy is now in the course of collection. There has been irrevocably appropriated and pledged to the payment in full of the principal of and interest on this Warrant a sufficient amount of the revenues to be derived from the Fund tax levy.

It is further hereby certified, recited, and declared that all acts, conditions, and things required by law precedent to the issuance and execution of this Warrant have been properly done, have happened, and have been performed in the manner required by the constitution and statutes of the State of Indiana relating thereto; that the Fund tax levy from which (together with other amounts in the Fund) this Warrant is payable, is a valid and legal levy; and that the Borrower will reserve a sufficient amount of the proceeds of the Fund tax levy currently in the course of collection for the timely payment of the principal of and interest on this Warrant in accordance with its terms.

IN WITNESS WHEREOF, the City of Fort Wayne, in the County of Allen, State of Indiana, has caused this Warrant to be executed in its corporate name by the Mayor of the City of Fort Wayne, Indiana, countersigned by the City Controller of the City of Fort Wayne, Indiana, and attested by the City Clerk of the City of Fort Wayne, Indiana, all as of the Dated Date set forth above.

CITY OF FORT WAYNE, INDIANA

BY: _____
Its Mayor

COUNTERSIGNED:

BY: _____
Its City Controller,
City of Fort Wayne, Indiana

ATTEST:

Its City Clerk

(End of Form of Warrant)

SECTION 6. The fiscal officer of the issuer (the "Fiscal Officer") is hereby authorized and directed to have the Warrants prepared, and each of the executive officers of the Issuer or such other officers as may be permitted by law, are thereby authorized and directed to execute the Warrants in the manner and substantially the form provided in this Ordinance, as conclusively evidenced by their execution thereof.

SECTION 7. The Fiscal Officer, on behalf of the Issuer, is authorized to sell to the Bond Bank the Warrants. The Warrant Purchase Agreement shall set forth the definitive terms and conditions for such sale. Warrants sold to the Bond Bank shall be accompanied by all documentation required by the Bond Bank pursuant to the provisions of Indiana Code 5-1.5 and the Warrant Purchase Agreement, including without limitation, an approving opinion of Bingham Summers Welsh & Spilman, specially designated bond counsel for the Warrants; certification and guarantee of signatures; and certification as to no litigation pending as of the date of delivery of the Warrants to the Bond Bank challenging the validity or issuance of the Warrants. The entry by the Issuer into the Warrant Purchase Agreement and the execution of

the Warrant Purchase Agreement, on behalf of the Issuer by any of the executive officers of the Issuer, or such other officers as may be permitted by law, in accordance with this Ordinance, are hereby authorized and approved.

SECTION 8. The proper officers of the Issuer are hereby authorized to deliver the Warrants to the Bond Bank, upon receipt from the Bond Bank of payment in accordance with the terms of the Warrant Purchase Agreement.

SECTION 9. Each of the executive officers of the Issuer (including, without limitation, the Fiscal Officer), or such other officers as may be permitted by law are hereby authorized and directed to make such filings and requests, deliver such certifications, execute and deliver such documents and instruments, and otherwise take such actions as are necessary or appropriate to carry out the terms and conditions of this Ordinance and the actions authorized hereby and thereby.

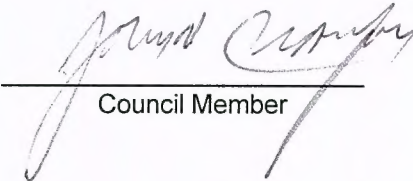
SECTION 10. The Issuer hereby covenants that the Issuer and its officers shall not take any action or fail to take any action with respect to the proceeds of any of the Warrants or any investment earnings thereon which would result in constituting any of the Warrants as "arbitrage bonds" under the Internal Revenue Code of 1986, as amended, and any and all final or proposed regulations or rulings applicable thereto, or which would otherwise cause the interest on any of the Warrants to cease to be excludable from gross income for purposes of federal income taxation; and the Fiscal Officer and all other appropriate officers are hereby authorized and directed to take any and all actions and to make and deliver any and all reports, filings, and certifications as may be necessary or appropriate to evidence, establish, or ensure such continuing exclusion of the interest on the Warrants.

Section 11. Notwithstanding any other provision of this Ordinance to the contrary, by the entry into the Warrant Purchase Agreement through the execution of the Warrant Purchase Agreement, on behalf of the Issuer by any of the executive officers of the Issuer, or such other officers as may be permitted by law, the Issuer may elect to receive payment from the Bond Bank on account of the Warrants in installments accordance with the terms of the Warrant Purchase Agreement. Under such circumstance, notwithstanding any other provision of this Ordinance to the contrary, the Warrant Purchase Agreement and the form of the Warrants may provided that: (a) principal shall be advanced under the Warrants and the Warrant Purchase Agreement in the manner and at the times set forth therein, as conclusively evidenced by the records of the Bond Bank and the Trustee; (b) interest shall accrue on the amount from time to time outstanding under the Warrants as evidenced by the records of the Bond Bank and the Trustee; and (c) the Issuer may, at its option, prepay all or a portion of the principal of and interest on the Warrants in the manner and at the times set forth in the Warrants and the Warrant Purchase Agreement.

SECTION 12. This Ordinance shall be in full force and effect from and after the time it has been adopted by the Fiscal Body, approved by the Mayor, and otherwise executed and delivered in accordance with any and all laws pertaining thereto.


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SECTION 13. All resolutions and ordinances in conflict herewith are, to extent of such conflict, are hereby repealed.



Council Member

APPROVED AS TO FORM
AND LEGALITY



J. Timothy McCaulay, City Attorney

DIGEST SHEET

TITLE OF ORDINANCE SPECIAL ORDINANCE

DEPARTMENT REQUESTING ORDINANCE CONTROLLER'S OFFICE

SYNOPSIS OF ORDINANCE AUTHORIZES TEMPORARY LOANS TO MEET OPERATING EXPENSES PENDING 1997
TAX REVENUE DISTRIBUTION, CONTINUES RELATIONSHIP WITH INDIANA BOND BANK.

EFFECT OF PASSAGE BORROWING WOULD BE AUTHORIZED.

EFFECT OF NON-PASSAGE BORROWING WOULD NOT BE AUTHORIZED, CITY WOULD NOT MEET OPERATION
EXPENSE NEEDS.

ONEY INVOLVED (DIRECT COSTS, EXPENDITURES, SAVINGS) INTEREST RATE NOT TO EXCEED 6.50%;
MAXIMUM BORROWING NOT TO EXCEED \$24,663,847 DISTRIBUTED THROUGH SIX SEPARATE FUNDS.

ASSIGNED TO COMMITTEE (PRESIDENT) _____

Read the first time in full and on motion by Crawford
and duly adopted, read the second time by title and referred to the
Committee on Finance (and the City Plan Commission
for recommendation) and Public Hearing to be held after due legal notice, at
the Common Council Council Conference Room 128, City-County Building, Fort
Wayne,, Indiana, on _____, 19____, the _____ day of _____
M., E.S.T.

DATED: 11-26-96

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by Crawford
and duly adopted, placed on its passage. PASSED lost
by the following vote:

	AYES	NAYS	ABSTAINED	ABSENT:
TOTAL VOTES	<u>9</u>			
BENDER	<u>✓</u>			
CRAWFORD	<u>✓</u>			
EDMONDS	<u>✓</u>			
HALL	<u>✓</u>			
HAYHURST	<u>✓</u>			
HENRY	<u>✓</u>			
LUNSEY	<u>✓</u>			
RAVINE	<u>✓</u>			
SCHMIDT	<u>✓</u>			

DATED: 12-3-96

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne,
Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL)
(SPECIAL) (ZONING) ORDINANCE RESOLUTION NO. S-89-96
on the 3rd day of December, 19 96

ATTEST:

Sandra E. Kennedy (SEAL) JDS
SANDRA E. KENNEDY, CITY CLERK PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on
the 4th day of December, 19 96
at the hour of 11:45 o'clock A. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 5th day of December,
19 96, at the hour of 3:30 o'clock P. M., E.S.T.

PAUL HELMKE
PAUL HELMKE, MAYOR

Memo

To: Members of City Council
From: David K. Sedestrom, Deputy Controller
CC: Kathy Friend, City Controller
Date: November 22, 1996
Re: 1997 Short Term Borrowing Warrants

Attached please find an ordinance authorizing the City of Fort Wayne to make temporary loans, through the issuance of tax anticipation warrants, to satisfy short term borrowing needs. The warrants will be sold to the Indiana Bond Bank and pledged by 1997 property tax receipts.

While the exact amount borrowed will not be set until later in December, we have submitted the following amounts to the Bond Bank as preliminary estimates. Also shown are the corresponding 1996 amounts.

	<u>1997 Estimate</u>	<u>1996 Actual</u>
General Fund	\$387,551	\$0
Fire Fund	\$5,092,257	\$2,544,922
Parks and Recreation Fund	\$1,243,611	\$521,261
Police Pension Fund	\$1,759,281	\$1,416,034
Fire Pension Fund	\$1,564,922	\$1,569,432
Debt Service Fund	\$1,864,349	\$1,627,526
Park Debt Service Fund	<u>\$857,507</u>	<u>\$655,710</u>
Total	\$12,769,478	\$8,334,885

The exact interest rate that will be charged on the borrowings will not be set until after the sale of the bonds by the Bond Bank. However, it is anticipated that the rate will be somewhere around 4.50% to 4.75%. The financing rates for the last three years are listed below:

1994	2.88%-3.34%
1995	4.90%-5.68%
1996	3.60%-3.89%

BILL NO. S-96-11-35

REPORT OF THE COMMITTEE ON
FINANCE
THOMAS C. HENRY - JOHN N. CRAWFORD - CO-CHAIR
ALL COUNCIL MEMBERS

WE, YOUR COMMITTEE ON FINANCE TO WHOM WAS

REFERRED AN (ORDINANCE) (~~RESOLUTION~~) authorizing the City of
Fort Wayne to make temporary loans to meet current running expenses for the
use of the General Loans - Tax anticipation time warrants

HAVE HAD SAID (ORDINANCE) (RESOLUTION) UNDER CONSIDERATION
AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID
(ORDINANCE) (RESOLUTION) _____

DO PASS

DO NOT PASS

ABSTAIN

NO REC

John N. Crawford

Thomas C. Henry

Thomas C. Henry

Debbie Hall

Michael J. Jansky

Thomas C. Henry

D. J. Schmitt

DATED: 12-3-96.

Sandra E. Kennedy
City Clerk